## Message Text

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**ORIGIN DOTE-00** 

INFO OCT-01 ARA-10 ISO-00 EB-07 COME-00 TRSE-00 OMB-01

SSO-00 L-02 AID-05 CIAE-00 INR-07 NSAE-00 RSC-01

INRE-00 /034 R

DRAFTED BY FHWA: WBMCKENDRICK:GFH APPROVED BY ARA-LA/EP - SANDY M. PRINGLE ARA-LA/E - MR. CLARKE

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O P :,2035Z JAN 75 FM SECSTATE WASHDC TO AMEMBASSY QUITO IMMEDIATE INFO AMCONSUL GUAYAQUIL PRIORITY

UNCLAS STATE 018834

E.O. 11652: N/A TAGS: BEXP, EC

SUBJECT: ROAD BUILDING EQUIPMENT PURCHASE

REF: QUITO 578 OF JANUARY 24, 1975

1. THIS WILL CONFIRM TAT THE UNITED STATES FEDERAL HIGHWAY ADMINISTRATION (FHWA) IS WILLING TO UNDERTAKE PROCUREMENT OF ROAD BUILDING EQUIPMENT FOR THE GOVERNMENT OF ECUADOR (GOE). THE CONDITIONS ARE AS FOLLOWS:

- A. A SIGNED AGREEMENT AND THE POSTING OF AN IRREVOCABLE LETTER OF CREDIT IN A U.S. BANK BEFORE PROCUREMENT CAN BEGIN.
- B. THE GOE TO SUBMIT REQUISITIONS FOR ALL EQUIPMENT ITEMS. FHWA IS WILLING TO ASSIST WITH PREPARATION OF REQUISITIONS.
- C. ALL COSTS INCLUDING A THREE PERCENT PROCUREMENT FEE TO BE BORNE BY THE GOE.
- D. FHWA WILL PREPARE SPECIFICATIONS, ADVERTISE AND UNCLASSIFIED

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ASK FOR BIDS, AWARD CONTRACTS, ARRANGE FOR SHIPMENT AND DISBURSE PAYMENT TO MANUFACTURERS IN A MANNER MOST ADVANTAGEOUS TO THE GOE.

E. THERE IS NO U.S. GOVERNMENT POOL OF EQUIPMENT TO TAP. DELIVERY SCHEDULES WOULD RUN FROM TWO TO FOUR

MONTHS FOR SUCH ITEMS AS CONCRETE MIXERS AND CENTER LINE STRIPING MACHINES TO AS LONG AS SIX TO TWENTY-FOUR MONTHS FOR MOTOR GRADERS. DELIVERIES ARE REFERENCED FROM TIME OF AWARD OF CONTRACT WHICH CANNOT BEGIN UNTIL AFTER SIGNING OF CONTRACT AND POSTING OF LETTER OF CREDIT. REALISTICALLY THIS MEANS DELIVERIES IN ECUADOR STARTING LATE IN 1975 AND RUNNING THROUGH 1976 AND INTO 1977.

- 2. IF GOE WISHES TO PROCEED UNDER THESE CONDITIONS, PLEASE ADVISE AND FHWA WILL INITIATE NEGOTIATIONS BY DISPATCHING WITHIN TWO WEEKS AN OFFICIAL TO QUITO FOR THE PURPOSE OF EXECUTING AN AGREEMENT AND ARRANGING FOR THE REQUIRED LETTER OF CREDIT. IN THIS LATTER CONNECTION, FHWA WILL NEED TO KNOW THE MINISTRY AND OFFICIAL WITH WHOM IT IS DEALING.
- 3. IF GOE NEEDS ADDITIONAL INFORMATION, PLEASE ADVISE. KISSINGER

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<sup>\*\*\*</sup> Current Handling Restrictions \*\*\* n/a

<sup>\*\*\*</sup> Current Classification \*\*\* UNCLASSIFIED

## Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

**Current Classification: UNCLASSIFIED** 

Concepts: n/a Control Number: n/a Copy: SINGLE Draft Date: 20 JAN 1975 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: n/a Disposition Approved on Date: Disposition Authority: n/a Disposition Case Number: n/a

Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:

Document Number: 1975STATE018834
Document Source: CORE
Document Unique ID: 00
Drafter: WBMCKENDRICK:GFH

Enclosure: n/a Executive Order: n/a Errors: n/a Film Number: D750030-0101 From: STATE

Handling Restrictions: n/a

Image Path:

Legacy Key: link1975/newtext/t19750185/aaaagkdx.tel Line Count: 91

Locator: TEXT ON MICROFILM, TEXT ON-LINE

Office: ORIGIN DOTE

Original Classification: UNCLASSIFIED Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 2

Previous Channel Indicators: n/a
Previous Classification: n/a

Previous Handling Restrictions: n/a
Reference: 75 QUITO 578, 75 OF JANUARY 24, 75 1975
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH

Review Comment: n/a
Review Content Flags: Review Date: 24 JAN 2003

**Review Event:** 

Review Exemptions: n/a
Review History: RELEASED <24 JAN 2003 by RicharJA>; APPROVED <25 NOV 2003 by MorefiRH>

**Review Markings:** 

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JÚL 2006

**Review Media Identifier:** Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN

Status: <DBA CORRECTED> gwr 970930 Subject: ROAD BUILDING EQUIPMENT PURCHASE

TAGS: BEXP, EC To: QUITO

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006